

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, March 15, 2010
City Hall
100 N. Jefferson Street, Room 604
Green Bay, WI 54301
3:00 p.m.

MEMBERS PRESENT: Paul Kendle, Rich Aicher, Tom Diedrick (conference call)

MEMBERS EXCUSED: Darlene Hallet-Chair, Michael Welch-Vice Chair

MEMBERS ABSENT: None

OTHERS PRESENT: Rob Strong, Robyn Hallet, Matt Schampers, DonElla Payne, Chip Law, Matt Roberts, Nikki Aderholdt

P. Kendle will be the Chairman for this meeting.

APPROVAL OF MINUTES:

1. Approval of the minutes from the February 15, 2010, meeting of the Brown County Housing Authority.

A motion was made by T. Diedrick and seconded by R. Aicher to approve the minutes from the February 15, 2010, meeting of the Brown County Housing Authority. Motion carried.

COMMUNICATIONS:

None.

REPORTS:

2. Report on Housing Choice Voucher Rental Assistance Program (January and February)
 - A. Preliminary Applications

D. Payne stated that there were 152 preliminary applications in January and 127 preliminary applications in February.
 - B. Housing Assistance Payments

D. Payne stated that the HAP for January was \$1,046,091.00 and for February it was \$1,044,505.00.
 - C. Housing Assistance Unit Count

D. Payne stated that the unit count for January was 2,817 and for February was 2,818.

- D. Housing Quality Standard Inspection Compliance
M. Roberts stated that for January the initial pass rating was 44.99%, the reinspection rating was 22.74% and the fail rate was 32.27%. For February the initial pass rating was 43.72%, the reinspection rating was 24.87% and the fail rate was 31.41%.
- E. Housing Choice Voucher Administrative Costs and HUD 52681B
C. Law stated that through February, we are \$4,000.00 over budget. Compared to last year's numbers, we have received approximately \$20,000.00 less through this same time last year. This was discussed at the last meeting and what HUD is doing is basing the funds on the unit count.
- F. SEMAP Monitoring Report
D. Payne stated that we are still a high performer with our SEMAP.
- G. Report of the Housing Choice Voucher Family Self-Sufficiency Program.
D. Payne stated that there were 100 clients in both January and February. There were 40 escrow accounts in January and 39 escrow accounts in February. There was 1 graduate in January and 2 in February. There was 1 new contract in January and 2 new contracts in February.
- H. Report on the Housing Choice Voucher Home Ownership Option.
D. Payne stated that there were 97 homeowners in January and 98 in the month of February.
- I. Report on Langan Investigations Criminal Background Screening and Fraud Investigations.
D. Payne stated that there was 1 investigation in January that was closed as being substantiated and 1 investigation that remains open. In February there were 3 investigations that were closed as being substantiated and 2 investigations that remain open.
- D. Payne distributed a copy of a notice to clients, which explains that starting February 1, 2010, ICS will be collaborating with the Brown County District Attorney's Office to criminally prosecute clients for fraud. The largest target will be clients with unreported household members. This handout is being included in the briefing packet. There are also magnets that will be handed out letting clients know that unreported household members equal no rental assistance.
- T. Diedrick stated that he noticed on the criminal background listing that there were a significant number of applications outside of the City of Green Bay and he thought that was great as far as the deconcentration issue.

OLD BUSINESS:

None

NEW BUSINESS:

3. Approval of Chapter 18 (VASH Vouchers) for the Housing Choice Voucher Administrative Plan.

R. Hallet stated that at the last meeting of the Authority, approval was given to move forward with the VASH Vouchers even though this chapter was not ready at that time for approval. Since that meeting the chapter has been completed. There were a few concerns that have been brought up in regards to this chapter.

R. Strong stated that in section 18-1.A. ADMISSIONS, it states that the BCHA relinquishes its authority to determine the eligibility of families in accordance to the regular HCV program rules and BCHA policies. He does not like the idea of the BCHA having to relinquish its authority under a program, but apparently we have no choice in this case as this is HUD language and we have to stick with this language.

R. Hallet stated that there were a few other minor issues that were brought up. In the sentence right after the one R. Strong just read, it states that the BCHA does not have the authority to screen families or deny assistance etc. - to clarify that it should state "to screen VASH families." In section 18-1.B. INCOME ELIGIBILITY, the word VASH should also be inserted before families in that sentence.

R. Aicher questioned if we knew what the VA's screening requirements are because if he is reading this right, we have further restrictions than they possibly have and the only one we can enforce is the lifetime sex offender registration program. If there is criminal activity or drug activity do we have to take them in?

D. Payne responded that veterans in this program must be case managed. If there is criminal activity, the VA steps in and takes care of it. If they are not being case managed for drug issues or criminal activity they can't be on the program.

R. Strong stated that what he understands is that once they are in the program if they violate the program rules we would be able to let them know they have lost their rights under the VASH program and lose the voucher.

D. Payne stated that the veterans are all Brown County residents. The veterans are all referred by the VA, who has confirmed that they are Brown County residents. The initial paperwork is started in the Racine County, which is where we are getting the vouchers.

A motion was made by T. Diedrick and seconded by R. Aicher to approve Chapter 18 (VASH Vouchers) for the Housing Choice Voucher Administrative Plan, subject to the corrections discussed. Motion carried.

4. Discussion and possible approval to create a limited term fulltime position with benefits to assist Housing Administrator.

R. Strong stated that there has been an intern for the past four or five years. With K. Pamperin transitioning out and R. Hallet transitioning in and the key finance person leaving, the Authority authorized having N. Aderholdt, a previous intern, work full time split between the BCHA and the GBHA until we were able to get things back up and running. He has realized through this period of transition that there are things that are not being done as thoroughly as he would like them to be. He would like to suggest keeping N. Aderholdt's position here as an assistant to R. Hallet year round and stated that we are interested in hiring N. Aderholdt for this new fulltime position. He is keeping this as limited term in case we do get the loose ends tied up and reach a point where we feel that the position is no longer needed. He referenced the information provided in the agenda packet regarding where the funding would come from. If the BCHA and the GBHA approve this, this would go to the Personnel Committee and then to Council for final approval. N. Aderholdt has worked a lot with the fraud recovery and with gathering information for things that R. Hallet needs to look at and make decisions regarding.

R. Hallet stated that N. Aderholdt has worked on a lot of little projects. She does a lot of research and information gathering. She assists with locating where things are. She had a big part in putting together the Request for Proposals for the Project Based Vouchers. Her assistance with these projects is a tremendous help.

R. Strong stated that N. Aderholdt will be freeing up some of R. Hallet's time so that R. Hallet can look into some of things that he would like more focus on.

R. Hallet stated that J. Lopez is an intern currently with the BCHA. We would like to keep him on through the rest of the school year, which would end in May. At that time we would be completing his service with us unless the Authority felt differently.

R. Aicher stated that he felt that an intern should only be utilized if there was a need on our part.

R. Strong stated that he is hoping that with a full time position that we won't need to have an intern. J. Lopez works about 13 hours a week and has done a good job. This full time position, if approved, should be set by the end of April or beginning of May.

A motion was made by R. Aicher and seconded by T. Diedrick to approve the creation of a limited term fulltime position with benefits to assist Housing Administrator. Motion carried.

5. Discussion and possible approval to use FSS reserves to fund FSS Coordinator positions until congressional appropriation of funding is complete.

R. Hallet stated that essentially what is happening is that Congress has not yet approved the funding for the FSS Coordinator positions and that is putting ICS in a financially difficult situation to maintain the employment for their FSS Coordinators without the funding coming from HUD. We do have FSS reserves available that we could use in the interim until the congressional appropriation for the funding comes through. The reserves would be refunded once the funding is approved by Congress.

P. Kendle questioned if we are confident this would be approved.

D. Payne stated that we are confident that the funding is going to be approved. She speaks weekly with Katherine Greenspan who is with HUD located in Washington, D.C. Everything is in place but they are just waiting for the congressional notification.

M. Schampers stated that the funding in the FSS reserves (\$68,000.00) is restricted to this program so even if that funding did not get approved we would still have to spend this FSS reserve funding in this way.

R. Hallet asked how long it would take to deplete the FSS reserves.

M. Schampers responded that we are spending about \$9,000.00 per month for FSS so it would be about six to seven months to deplete the FSS reserves.

A motion was made by R. Aicher and seconded by T. Diedrick to use FSS reserves to fund FSS Coordinator positions until congressional appropriation of funding is complete. Motion carried.

INFORMATIONAL:

None.

STAFF REPORT:

6. 2009 BCHA Year End Financials.

The year end financials were distributed to the Authority. M. Schampers stated that these are the year ends as of December 31, 2009, and are not yet audited. They are for the Authority as a whole, not just the HCV Program, however the HCV Program comprises approximately 90% of the activity. There is a comparison provided from 2008 to 2009. The biggest thing to notice is the \$900,000 increase in our assets from 2008 to 2009. We banked a lot of cash investments towards the end of the year. In revenue, we took in an additional \$1.2 million from HUD last year. Almost all revenue was from the HAP program. Our expenses actually exceeded the revenue by \$428,040, which is a lot less than what we exceeded our revenue by in 2008. M. Schampers and C. Law

clarified that this is within HUD's plan that we spend down our reserves. Several years ago we had \$4-5 million in reserves, but HUD now requires PHA's reserves to be spent down and recommends one to two months' worth are kept in reserves, which would be approximately \$1-2 million. The overspending in the past 2 years has caused us to level off the amount that should be in our reserves, so now we need to maintain that.

- The bills were distributed but R. Strong stated that because they were not listed on the agenda we can't act on them. In the past the Authority has given him authorization to pay bills that needed to be paid in the event a meeting was skipped so he would do that with any bills that needed to be paid before the next meeting. The bills would be added back on to the next agenda and all future agendas. These bills will be reported at the next meeting.

P. Kendle stated that looking at the bills it looks like a line item is missing an amount. The Green Bay City Treasurer (Computers) is blank.

M. Schampers stated that yes, it does appear a line item is missing an amount, and he would check with K. Baeten to see and correct for the next meeting.

- R. Hallet stated that another item for the staff report is the ICS Audit finding. Previously, a concern was expressed regarding a finding and M. Schamper is going to provide an update to the Authority.

M. Schamper stated that the finding was that the amounts reported to the Authority were not tied out to their general ledger. He met with Dawn from ICS on this and the problem is that we use the 52681B for our accounting system and when there are port-ins from other jurisdictions, we get reimbursed from those PHAs and Dawn had received guidance from HUD that she should then go backwards and apply the money to the appropriate month. By doing this, it resulted in the 52681B being different than the accounting records. When he met with Dawn, they performed a reconciliation and he does not anticipate that this would be a finding for 2009.

R. Strong stated that there is also a finding regarding the review of the financial records that we keep getting every year and the Authority had asked if there was something we could do. He believes M. Schampers might have the answer on that and will let him explain.

M. Schampers stated that if you are not able to prepare financial statements or pay to have them prepared and then review them, it is a control issue for the entity because you can't say for certain that they were done appropriately. His understanding is in the past we had our auditor prepare the financial statements but we did not review them. The financials that the Authority has today are not audited but were prepared by him using the template that our auditor used in the past. Because he prepared them and our auditor will be performing an audit on them, the control issue is gone.

- R. Strong stated that the Brown County Administrative Committee has asked himself and R. Hallet to come before them again. The agenda item is to review the funding of the Housing Authority. He has no idea what that means so he is requesting further information as to what information they want us to provide.

A motion was made by R. Aicher and seconded by T. Diedrick to adjourn the meeting at 3:45 p.m. Motion carried.

:dr